

JUDSON H. HILL, ESQ.

May 9, 2019

BY ECFS

Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Sage Telecom Communications, LLC and Telscape Communications, Inc. d/b/a TruConnect; WC Docket Nos. 17-287, 11-42, 09-197, 18-213.

Dear Ms. Dortch:

On May 7, 2019 I, counsel to Telscape Communications, Inc. d/b/a TruConnect and Sage Telecom Communications, LLC (collectively TruConnect) and TruConnect's Co-CEO Nathan Johnson, met separately with Commissioner Michael O'Rielly and Arielle Roth Wireline Advisor to Commissioner O'Rielly, Commissioner Brendan Carr, and with Karen Onyeije, Deputy General Counsel, to discuss the FCC Order, Notice of Proposed Rulemaking and Notice of Inquiry released by the NOI telecom, and Commission on December 1, 2017¹ and Notice of Inquiry, released by the Federal Communications Commission on August 3, 2018, WC Docket No. 18-213.²

During each meeting we emphasized that TruConnect shared the FCC Commissioner's objective to root out any remaining waste, fraud and abuse in the Lifeline program to ensure that only people who are eligible will receive Lifeline services. Without this service, many low-income Americans including numerous elderly citizens and veterans would incur even greater challenges finding employment, accessing healthcare and reaching emergency first responders. I shared our broad support within the Lifeline service provider community for the Commission's work to improve the Lifeline eligibility National Verifier implementation. Before the verifier should continue to be rolled out, we emphasized that more work is needed to avoid harming the people it was intended to serve. We recommended that the hard launch state roll-outs of the National Verifier be frozen immediately to allow critical technological and data improvements to be completed.

Specifically, we discussed that the National Verifier's roll-out has many challenges which, if not corrected, will be expensive for the Universal Service Administrative Company (USAC) and may very likely contribute, not decrease, *increased* waste, fraud and abuse. Currently government services databases in many states cannot be accessed or are sometimes unreliable. Lifeline subscriber enrollments have dropped substantially. Reduced enrollments do not indicate that fraud has been found but actually that either certain databases are not now accessible or that the technology does not work yet. Other possibilities exist to improve and account for the unperfected and unduly cumbersome enrollment and verification process which does not allow insufficient access to a government database to determine eligibility.

¹ See *Bridging the Digital Divide for Low-Income Consumers et al.*, WC Docket No. 17-287 et al. Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, FCC 17-155 (Nov. 16, 2017); Notice of Inquiry, released by the Federal Communications Commission WC Docket No. 18-213.

The flaws in the verification system has its consequences. Eligible customers suffer when they cannot find a good or better job, or access emergency and healthcare services. In the short-term fewer enrollments may save USF dollars, however, the federal and states' budgets suffer the direct financial impact of higher un-employment, under-employment and a less healthy and safe citizenry.

Next, we shared that implementation of a 60-day port-freeze will help make eligibility confirmations more accurate and reliable. A port freeze will effectively reduce a large percentage of waste, fraud and abuse since frequent switching, or churning and may actually "encourage" or even enable fraud since there is no real benefit to frequently switch Lifeline carriers. It was suggested that perhaps long-term service contracts could be required by ETCs to keep customers longer; however, the typical Lifeline eligible customer is someone who is very difficult to collect from or to pursue to enforce a breach of contract.

Recognizing that the FCC does not hear very much about the port freeze, we further emphasized that regulatory certainty and reduced subscriber churning will help the FCC achieve some of their stated objectives, e.g. advancing telemedicine and improving rural access to better communications. A port freeze provides stability and economic certainty for ETCs and the Commission initiatives can be better advanced by ETC's with program certainty. With long-term program certainty many ETCs will readily expand their offerings across America and will include innovative add-on healthcare and job search application technologies to their Lifeline devices.

Next, we discussed the data requirements for Lifeline and reminded them that they continue to be increased. On December 1, 2019 the mobile broadband minimum requirements are scheduled to rise again now from the current 2 GB to 9.75 GB of data. The additional data will force ETC's to transfer an estimated \$25 to 30 per month price increase on to each Lifeline subscriber. While a few Lifeline subscribers may be able to pay for the additional data, the majority cannot afford it. Consequently, it is expected that many ETCs will exit the program harming many veterans and elderly the program was intended to serve. We offered that the mandated data standards should be reduced or frozen where they are today. Lifeline customers who could afford to buy more data service could independently do so. If the data standards will not be permanently frozen, we asked that the FCC consider to at least freeze the coming escalation in minimum service standards until well after the National Verifier is improved, the necessary state databases are accessible, and until the Lifeline program changes and improvements can be reassessed. There should then be a new determination of both the need and demand for increased data, the economics, and viable solutions to pay more it. Otherwise, the current minimum standard mandates will likely collapse the program with attendant consequences for subscribers, states and the federal government.

² See Ex Parte filing from Counsel to Q Link Wireless, LLC, WC Docket No. 17-287, WC Docket No. 11-42 and WC Docket No. 09-197 filed May 25, 2018 and supplemented May 31, 2018.

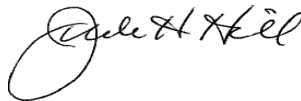
During the Commissioner Carr meeting we focused on telemedicine. We discussed the important objectives and advances the FCC is leading on in the telemedicine sector. We also shared about the possible adoptions of a future telemedicine pilot for veterans, the elderly and all Americans as well as how FCC pilot might be used to serve lower income Americans through the Lifeline program.

During the meeting with Karen Onyieje we heard more about the FCC's telemedicine objectives as well as the Connect2Health Task Force work and focus and how the Lifeline program might be used to advance the Task Force's work and healthcare delivery to Americans.

We concluded our conversations expressing a desire to actively and constructively participate in the Lifeline rulemaking to help the Commission achieve their stated objectives.

Pursuant to section 1.1206(b) of the Commission's rules, this letter is being filed electronically.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Judson H. Hill". The signature is fluid and cursive, with a large loop at the beginning.

Judson H. Hill, Esq.

Judson@judsonhill.com

cc: Commissioner Michael O'Rielly
Commissioner Brendan Carr
Arielle Roth
Karen Onyieje, Esq.